

Waterfront Special Development District Commission

Minutes of Tuesday, November 22, 2005 Public Hearing

Present were: Chairman Rogers, Jay Gregory, Dr. Isadore Ramos, Jacob Harpootian, Laura McNamara, Jeanne Boyle, Robin Main, Laurie Capaldi, William Fazioli, John Pesce, Heidi Green and John Lynch (by proxy).

The meeting began at 7:15 p.m.

1. Chairman's Opening Remarks

The chairman did not have any opening remarks.

2. Approval of Minutes

a. Minutes of October 17, 2005

Reviewed and approved.

3. New Business

a. Request by Applicant: Display World, Owner: Hermes Investment, 500 North Broadway, East Providence, Rhode Island for an interim use for 105 Valley Street.

Chairman Rogers explained that the subject property was a warehouse and the applicant is seeking a six month approval for temporary usage of the building for storage of retain fixtures. In response to inquiries from Messrs. Pesce, Gregory and Harpootian regarding time constraints, Ms. Boyle said that she had just received the application prior to distributing the agenda and added it, but Application for Permits could be heard by the Design Review Committee and Hearing Panel on the same date to expedite the process to which Attorney Main agreed. Mr. Rogers asked if there would have to be a public hearing. Ms. Boyle replied that there would have to be public notice providing two weeks notice from the date that the advertisement was placed in the newspaper. Mr. Rogers indicated that there could be conditional approval granted upon the decision of the Design Review Committee and Hearing Panel.

b. Request for Proposals-Architectural Services and Design Services

Ms. Boyle provided a history of the previous Request for Proposal for Architectural Services that was advertised in the past and the Waterfront District Commission only received two responses. Heidi Green, the intern working for the Waterfront District Commission, explained that the Request for Proposal called for an architect to develop design guidelines for each of the distinctive subdistricts within the Waterfront District as well as architectural consultants to assist in the review process of proposed developments within the Waterfront District. Ms. Boyle pointed out that some architects do not want to be retained to do the design guidelines because

then they would have a conflict if retained by a developer to do architectural design within the Waterfront District.

Mr. Gregory asked whether the architect retained by the Commission to do the design guidelines could still bid on projects by developers in the Waterfront District; whether the architects would have to resign before being retained by the Waterfront District Commission if they currently had a project before the Commission; and whether the architect would be given an opportunity to parachute out of the agreement once retained by the Waterfront District Commission. Discussion ensued on potential conflicts. It was suggested that the Waterfront District Commission may want to look outside of Rhode Island for an architectural consultant. Ms Boyle voiced her concern that the architectural consultant retained by the Waterfront District Commission may have the opportunity to draft the design guidelines and parachute out of the agreement with the Waterfront District Commission thereby giving that architect the inside track when working on projects within the Waterfront District. Dr. Ramos had a similar concern. Mr. Gregory responded that the architect would be drafting boiler plate design guidelines and may know the Board but the developer would not have the inside track. Ms. McNamara suggested that there be a no compete clause included within the contract. Attorney Main indicated that the contract would be in writing and any architect can read the guidelines once they are completed and attend Waterfront District Committee meetings. Chairman Rogers pointed out that the Request for Proposal allows for more than one architectural firm to be retained.

c. Filling of Vacant Position for Hearing Panel

Having no objections, Chairman Rogers stated that Dr. Ramos would now be the Chairman of the Hearing Panel because John Gowell resigned and that he was appointing Ms. Laura McNamara to fill the vacancy on the Hearing Panel.

4. New Business

a. Requests for Qualifications for Underwriting Services for Tax Increment Financing

Ms. Boyle stated that there were ten responses received for the Request for Qualifications for Underwriting Services for Tax Increment Financing. Qualifications were received from the following financial firms:

Joseph O. Chimienti
Principal
Fixed Income Banking
RBC Dain Rauscher, Inc.
1211 Avenue of the Americas, 32nd Floor
New York, NY 10036

Robert D. Coven
Municipal Securities Group
UBS Financial Services, Inc.
1285 Avenue of the Americas
New York, NY 10019

Craig A. Hrinkevich
Managing Director
Investment Banking
A.G. Edwards & Sons, Inc.
One Gateway Center
Suite 1002
Newark, NJ 07102

Richard F. Carolan
Vice President
Oppenheimer & Co., Inc.
10 Weybosset Street
Providence, RI 02903

Thomas Green
Managing Director
John F. Malpiede
Director
Citigroup Global Markets, Inc.
2 International Place, Floor 19
Boston, MA 02110

Herman R. Charbonneau
Senior Vice President & Manager
Public Finance Department
One Exchange Plaza
55 Broadway
New York, NY 10006

Richard Meister
Managing Director
Mark Liff, Director
Merrill Lynch
4 World Financial Center
New York, NY 10080

Robert C. Burch, Managing Director
Peter Scoliard, Principal
Williams F. Powers, Sr., Principal
Bank of America Securities LLC
Public Finance
111 Westminster Street, 3rd Floor
Providence, RI 02903

Craig Charlton
Vice President/Public Finance
Janney Montgomery Scott LLC
1801 Market Street
Philadelphia, PA 19103

Thomas Mead
George Graham
Ramirez & Co., Inc.
61 Broadway, Suite 2924
New York, NY 10006

The Planning Department received an original of the RFQ's as well as five (5) copies. Ms. Boyle also sent a copy to Steve Maceroni, Vice President of First Southwest Bank, who has been retained by the Waterfront District Commission to review the qualifications and create a short list of financial consultants to be interviewed by the Waterfront District Commission. Mr. Maceroni said from the list of ten respondents he narrowed the list to the following three financial firms based upon their TIF experience and their experience doing work in Rhode Island: Bank of America Securities, LLC, Citigroup Global Markets, Inc. and Merrill Lynch. He further indicated that A.G. Edwards & Sons, Inc. was a close fourth place and had TIF experience, however, did not have much Rhode Island experience.

Mr. Maceroni stated that the Commission has several options at this point: to review the qualifications of all of the financial firms and add firms to his list of three financial firms; to interview the three recommended firms for the purposes of retaining one of the financial firms; to interview the financial firms and retain two firms; or to qualify all three financial firms and have them compete for bonds as they arise.

Chairman Rogers indicated that the Commission had interviewed all of the vendors such as attorneys and marketing consultants up to this point and perhaps would like to interview the financial firms for the TIF's, but that he had no TIF experience and as such, would not be able to evaluate the financial firms. He stated that he was happy that Mr. Maceroni was assisting the Waterfront District Commission. Mr. Maceroni stated that it is important to retain a financial firm that has experience doing similar TIF underwriting since TIF is a very specialized financing and there are nuances. He also clarified that the financial firm's presence in Rhode Island refers to local distribution of bonds in Rhode Island.

Chairman Rogers asked if there was an economic component to evaluate. Mr. Maceroni responded that it would depend on the price of the bond and the financial firm's fee and that more specific information would be needed concerning certain projects in order to evaluate the economic component. Right now there is not enough information for the financial firms to provide prices. Mr. Gregory asked if the Commission could qualify all three firms. Mr. Maceroni replied that the Commission could retain all three of the firms and once there is a certain project, all three firms could bid on the project, to which Mr. Fazioli agrees in order to create competitive pressure among the financial firms.

Mr. Fazioli stated that he had worked with the recommended firms and was comfortable with their quality since they were the top firms in the nation. He further went on to indicate that it is a credit to the Waterfront District that the top financial firms in the country have responded to Waterfront District's since not much development has been done within the Waterfront up to this point. Mr. Fazioli indicated that the local colleges and hospitals qualify three to four financial firms and create competition amongst the firms to bid for different jobs depending upon the credit and type of financing required. He said that Citigroup has provided \$34 billion in financing. He further went on to state that its good to see that East Providence is perceived to be in the same league as the Convention Center and T.F. Green Airport.

Ms. Boyle indicated that A.G. Edwards had a good track record so Chairman Rogers asked if the Waterfront Commissioners were comfortable with prequalifying four financial firms. Dr. Ramos admitted he had no TIF experience or knowledge. Mr. Fazioli and Mr. Maceroni agreed that they would feel comfortable prequalifying four financial firms.

b. Presentation of Waterfront Brochure-Advertising Ventures

Ms. Guerin of Advertising Ventures provided the most recent (fourth) draft of the Commission's brochure and explained the evolution of the brochure to date which used a tagline and logo. Attorney Main indicated that she had spoken to Kevin McKay of Tockwotten as well as the applicants including Ross Commons and they did not object to using their images in the brochure. Ms. Guerin explained that inside the cover they used a map of New England to show East Providence's close proximity to New York City and Boston and they tried to minimize the wording and use pictures. Mr. Gregory asked if there was any mention of the cultural and academic opportunities in the area. Ms. Guerin did say it was mentioned briefly in the brochure. Chairman Rogers asked for quotes from three printers in increments of 500 for the printing of the brochure.

5. Reports of Commission's Subcommittees

a. Design Review Committee

Mr. Gregory said that the Design Review Committee had no reports at this time.

b. Hearing Panel

Dr. Ramos indicated that the Hearing Panel had no reports at this time.

6. Miscellaneous Other Business

a. Decorative Lighting Standards

Ms. Boyle informed the Board that she had met with Sara Bradford, a landscape architect who had done a substantial amount of work with the RIDOT and public parks to discuss decorative lighting. She also met with representatives from Holophane, who were used by Ross Commons for its development, who offered to do a lighting demonstration for the Waterfront Commissioners. Ms. Boyle requested that Ms. Bradford attend the January Waterfront District Commission meeting to discuss decorative lighting parameters in order to narrow down the choices. Ms. Boyle stated that the lighting standards should be created so more than one lighting company could be used. However, there should be continuity among the light posts, trash receptacles and benches and that the landscape architect would address the streetscape and decorative lighting within a framework and context among the subdistricts of the Waterfront District. The Commissioners would ultimately make the decision regarding decorative lighting. Mr. Pesce stated that he had been working with a lighting designer from New York. Mr. Rogers suggested that Ms. Bradford and the lighting designer that Mr. Pesce suggested provide presentations on the same night. Ms. Boyle indicated that Ms. Bradford was not a lighting engineer but could provide guidance concerning integrating decorative street lighting into the streetscape. Mr. Rogers suggested that public notice should be given for the decorative lighting presentation and the City Council, interested developers and the applicants with pending developments be invited.

7. Staff Report

a. General Counsel's Report

Ms. Main stated that the EPA is offering incentives that may assist developers in offsetting or mitigating the costs of brownfield clean up, including the EPA using incentives for developers to develop green buildings on properties.

b. Executive Director's Report

Ms. Boyle informed the board that the developer for the Phillipsdale development has closed on the property. The developer is working with the RIDEM to remediate the site. There is an apparent conflict between RIDEM and CRMC concerning storm water management. RIDEM

does not want water infiltration on the site because DEM is concerned about contaminate loading into the Seekonk River. However, CRMC requires vegetated coastal buffers to facilitate water infiltration. There is also an issue with the dimensional setback from the coastal feature as set forth by CRMC. There is going to be a follow up meeting with CRMC and RIDEM.

Redevelopment on coastal brownfield sites is a relatively new process and is still a learning process. The brownfield remediation increases the development costs. RIDEM and CRMC are working hard to resolve the apparent conflict. A possible solution is to use green technology (i.e., such as the green roof proposed over the garage on the Phillipsdale development) to combat the negative affects of infiltration at the brownfield site. Ms. Capaldi indicated that the new Save the Bay facility in Providence installed a green roof on its building and may be able to provide some advice. Ms. Boyle informed the Board that Ms. Green took notes from the meeting and would distribute a copy to the Commissioners for their information.

8. Communications

There was no discussion concerning these items on the agenda.

9. Adjournment

Chairman Rogers indicated that action should be taken on the following items:

- Approval of Minutes;
- Request by Applicant: Display World, Owner: Hermes Investment, 500 North Broadway, East Providence, Rhode Island for an interim use for 105 Valley Street;
- Responses to the Request for Qualifications for Underwriting Services for Tax Increment Financing; and
- Request for Proposals – Architectural Services and Design Services.

On a Motion by Dr. Ramos, seconded by Mr. Harpootian, the Waterfront Development Special District Commission voted to approve the minutes of October 17, 2005.

Roll Call Vote:

Ms. McNamara	Aye
Mr. Harpootian	Aye
Dr. Ramos	Aye
Mr. Pesce	Aye
Mr. Gregory	Aye
Mr. Rogers	Aye
Mr. Lynch (by proxy)	Aye

Next, on a Motion made by Mr. Harpootian, seconded by Mr. Pesce, as a result of the Request by Display World for an interim use permit for 105 Valley Street, the Waterfront Development Special District Commission voted to conduct the Design Review Committee meeting and Hearing Panel meeting at the same time (date to be determined).

Roll Call Vote:

Ms. McNamara	Aye
Mr. Harpootian	Aye
Dr. Ramos	Aye
Mr. Pesce	Aye
Mr. Gregory	Aye
Mr. Rogers	Aye
Mr. Lynch (by proxy)	Aye

Next, on a Motion made by Ms. McNamara and seconded by Mr. Pesce, the Request for Proposals-Architectural Services and Design Services should proceed to be advertised and mailed to architects as recommended by Mr. Torrado.

Roll Call Vote:

Ms. McNamara	Aye
Mr. Harpootian	Aye
Dr. Ramos	Aye
Mr. Pesce	Aye
Mr. Gregory	Aye
Mr. Rogers	Aye
Mr. Lynch (by proxy)	Aye

Chairman Rogers suggested that a follow up meeting be scheduled concerning the Responses to the Request for Qualifications for Underwriting Services for Tax Increment Financing.

The meeting adjourned at 9:00 p.m.

Respectfully submitted,

Jeanne M. Boyle
Interim Executive Director

JMB/hjg